

State of Utah

Department of Environmental Quality

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BY:

Redd by email 6/11/08

August 5, 2008

Christy Woodward, Permits Officer Denison Mines (USA) Corp. 1050 17th Street, Suite 950 Denver, Colorado 80265

Dear Ms. Woodward:

Subject: Plan Approval, Tony M. Mine Water System Plans (WS001, ST001, PF001) System #09048, File #07652

On June 25, 2008, the Division of Drinking Water (the Division) received the plans and specifications for the Tony M. Mine Water System improvements from your consultant, Jones & DeMille Engineering. A comment letter was sent to them asking for additional information and drawings on July 3, 2008. A revised set of drawings and the additional information was received on August 1, 2008.

Our understanding of the project is that the existing well (WS001) will continue to be used and a new building will be constructed around the existing well along with a new flow meter and associated appurtenances. A new 10,000 gallon storage tank (ST001) will replace the existing storage tank and a new booster pump station (PF001) will be constructed adjacent to the tank to pump water up to the mine entrance through 4-inch HDPE pipe. Four inch HDPE piping will also connect the well and the storage tank and provide distribution water to the office and maintenance buildings.

We have completed our review of the plans and specifications for the Tony M. Mine Water System and found them to basically comply with the applicable portions of R309 of the Utah Administrative Code. On this basis, the plans for the Tony M. Mine Water System (referenced as WS001, ST001, and PF001 in our inventory) are hereby approved.

Christy Woodward Page 2 August 5, 2008

This approval pertains to construction only and a separate operating permit must be obtained from the Executive Secretary before the Tony M. Mine Water System may be put into service. A checklist outlining the items required for operating permit issuance is enclosed for your information. Not included in the attached checklist is the requirement that the system have a certified operator. For more information regarding this issue, please call Kim Dyches, of our office, at (801) 536-4202.

Local or county approvals/permits may be necessary before beginning construction of this project. As the project proceeds, notice of any changes in the approved design, as well as any change affecting the quantity or quality of the delivered water, must be submitted to the Division. We may also conduct interim and final inspections to ascertain compliance with the approved drawings. Please notify us when actual construction begins so that these inspections can be scheduled.

This approval must be renewed if construction has not begun or if substantial equipment has not been ordered within one year of the date of this letter. If you have any questions, please contact John Chartier, P.E., Southwest District Engineer at (435) 865-5152 or Ying-Ying Macauley, Engineering Section Manager, at (801) 536-4188.

Sincerely,

DRINKING WATER BOARD

Kenneth H. Bousfield, P.E.

Executive Secretary

JLC

Enclosure — Operating Permit Checklist

cc: Ryan Jolley, P.E. Jones & DeMille Engineering 1535 South 100 West Richfield, Utah 84701
Rod Cosslett, Southwest Utah Public Health Dept., 260 East DL Sargent Dr., Cedar City, Utah 84720
John Chartier, P.E., DEQ Southwest District Office, 260 East DL Sargent Dr., Cedar City, UT 84720
Randy Taylor, P.E., DEQ Southwest District Office, 620 South 400 East, #400, St. George, UT 84770

DIVISION OF DRINKING WATER OPERATING PERMIT CHECKLIST

With the exception of distribution lines (and distribution lines with booster pumps and pressure-reducing valves), the following items must be submitted and found to be acceptable for all projects:

Utah Registered Engineer's statement of what plan changes, if any, were necessary during construction and Utah Registered Engineer's Certification of Conformance that all of these changes were in accordance with applicable Utah Administrative Code, namely, Rule Series 500, Drinking Water Facility, Construction, Design, and Operation.
Utah Registered Engineer's R309-500-9 Certification of Rule Conformance that all conditions of plan approval (including conditions set forth by the Executive Secretary in any conditional approval letter) have been accomplished.
As-built drawings have been received at the Division (unless no changes were made to the pre-construction drawings). Confirmation that as-built drawings have been received at the water system (unless no changes were made to the pre-construction drawings).
Evidence of proper flushing and disinfection in accordance with the appropriate ANSI/AWWA Standard.
 ANSI/AWWA C651-92 AWWA Standard for Disinfecting Water Mains Two consecutive sample sets (each 1200 feet, end-of-line, each branch, etc.), none positive, at least 24 hours apart.
 ANSI/AWWA C652-92 AWWA Standard for Disinfection of Water-Storage Facilities One or more samples, none positive.
 ANSI/AWWA C653-97 AWWA Standard for Disinfection of Water Treatment Plants Two consecutive samples per unit, none positive, no less than 30 minutes apart.
 ANSI/AWWA C654-97 AWWA Standard for Disinfection of Wells Two consecutive samples, none positive, no less than 30 minutes apart.
Water quality data, where appropriate.
[Guidance: Storage tank water should be analyzed for residual volatile organic compounds used during tank interior painting or coating.]
Water system owner has been provided with O&M manuals for any new facilities.